

NATIONAL RECOVERY ADMINISTRATION

CODE OF FAIR COMPETITION

FOR THE

SEWING MACHINE INDUSTRY

AS APPROVED ON APRIL 21, 1934



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Approved Code No. 402

CODE OF FAIR COMPETITION
FOR THE
SEWING MACHINE INDUSTRY

As Approved on April 21, 1934

ORDER

APPROVING CODE OF FAIR COMPETITION FOR THE SEWING MACHINE INDUSTRY

An application having been duly made pursuant to and in full compliance with the provisions of Title I of the National Industrial Recovery Act, approved June 16, 1933, for approval of a Code of Fair Competition for the Sewing Machine Industry, and hearings having been duly held thereon and the annexed report on said Code, containing findings with respect thereto, having been made and directed to the President:

NOW, THEREFORE, on behalf of the President of the United States, I, Hugh S. Johnson, Administrator for Industrial Recovery, pursuant to authority vested in me by Executive Orders of the President, including Executive Order No. 6543-A, dated December 30, 1933, and otherwise; do hereby incorporate by reference said annexed report and do find that said Code complies in all respects with the pertinent provisions and will promote the policy and purposes of said Title of said Act; and do hereby order that said Code of Fair Competition be and it is hereby approved; provided, however, that the continued participation of the Sewing Machine Trade Association and the Mutual Sewing Machine Dealers and Mechanics Cooperative, Incorporated, in the Code Authority after 30 days from the effective date of this Code shall be contingent upon their amending their Constitution and By-laws to the satisfaction of the Administrator.

HUGH S. JOHNSON,
Administrator for Industrial Recovery.

Approval recommended:

A. R. GLANCY,
Division Administrator.

WASHINGTON, D.C.,
April 21, 1934.

REPORT TO THE PRESIDENT

The PRESIDENT,
The White House.

SIR: This is a report on the Code of Fair Competition for the Sewing Machine Industry in the United States as revised after a Public Hearing conducted thereon in Washington, D.C., on Thursday, January 4, 1934, in accordance with the provisions of the National Industrial Recovery Act. This is a vertical code, containing provisions covering manufacturing and retailing.

PROVISIONS OF THE CODE AS TO WAGES AND HOURS FOR THE MANUFACTURING COMPANIES

The Code provides for a 40-hour and 6-day week with a normal working day of 8 hours. There are certain exceptions to these hours and provision is also made that employees may work overtime, but that overtime shall not exceed 8 hours in any one week or 48 hours in any 26-week period, providing time and one-half is paid for all time worked in excess of allowable hours.

The minimum rate of pay is 40¢ per hour for males and females, except that when females are performing light and repetitive operations they may be paid not less than 35¢ per hour.

No one under 16 years of age may be employed, and no one under 18 years of age in operations or occupations hazardous in nature or dangerous to health.

Office and clerical employees are to receive a minimum of \$15.00 per week, except that office boys and girls may be paid 80% of this minimum, but shall be limited to 5% of the total number of employees.

Equitable adjustments in wage rates over the minimum are provided for.

PROVISIONS OF THE CODE AS TO WAGES AND HOURS FOR RETAIL ESTABLISHMENTS

Hour and wage provisions conform to provisions of the Retail Code.

GENERAL STATEMENT AND ECONOMIC EFFECT OF THE CODE

The Sewing Machine Industry in the United States represents persons, firms, and corporations engaged in the manufacture and repair and rebuilding of sewing machines and cabinets, stands, tables (including power tables), motors, parts, needles, attachments, and accessories for sewing machines, and the selling, installing, dismantling, servicing, and distributing thereof at wholesale or retail.

It embodies two main groups, the manufacturers and the rebuilders. The Code was submitted by the Sewing Machine Trade Association, representing substantially 100% of those engaged in the manu-

facture of sewing machines and more than 80% of the wholesale and retail distribution, and by the Rebuilders' Division of the Sewing Machine Industry, estimated to represent at least 80% of the Rebuilders.

The "Manufacturers" consist of eighteen plants. The investment in these plants is approximately \$200,000,000, and the number of wage earners in normal times about 15,000 persons, with an estimated annual payroll of \$21,000,000. No similar information concerning the "Rebuilders" is available.

Pertinent data on employment, wages, and hours as submitted by the "Manufacturers" may be summarized as follows:

	Average number of wage earners	Average wage per hour	Average hours per week
Year 1927.....	15,021	\$0.624	44.0
Year 1929.....	15,577	.635	45.4
Year 1932.....	10,349	.652	30.7
6 months to June 30, 1933.....	9,665	.620	28.7
Week ending Oct. 7, 1933.....	10,783	.629	36.7
Week ending Dec. 9, 1933.....	11,099	.631	37.5

The maximum hours proposed in the Code are 11.9% below the average hours worked per week in 1929. Since the adoption of 40 hours as the standard work week, employment has increased 15%. No further increase may be reasonably expected unless the volume of production increases. The mechanical skill required of a large percentage of the employees is reflected in the high average hourly rate of pay which has prevailed throughout the depression for factory wage earners. A very small proportion of these employees would be benefited by the proposed minimum wage, but will gain through the equitable adjustment clause for wages above the minimum.

The Code Authority shall be the general agent for the administration of this Code and shall consist of nine members, six of whom are to be chosen by and from among members of the Sewing Machine Trade Association; two of whom shall be chosen by and from among members of the Divisional Code Authority established for the purpose of administering this Code within the Rebuilders' Division; and one of whom shall be chosen by and from among the members of the Industry who are not members of the Sewing Machine Trade Association and not members of the Rebuilders' Division of the Sewing Machine Industry. The Administrator has the authority to appoint not to exceed three non-voting members of the Code Authority who shall also be members of each Divisional Code Authority.

The Code Authority provides machinery for obtaining statistics and the administration of this Code.

FINDINGS

The Assistant Deputy Administrator in his final report to me on said Code having found as herein set forth and on the basis of all the proceedings in this matter:

I find that:

(a) Said Code is well designed to promote the policies and purposes of Title I of the National Industrial Recovery Act, including

removal of obstructions to the free flow of interstate and foreign commerce which tend to diminish the amount thereof and will provide for the general welfare by promoting the organization of industry for the purpose of cooperative action among the trade groups, by inducing and maintaining united action of labor and management under adequate governmental sanctions and supervision, by eliminating unfair competitive practices, by promoting the fullest possible utilization of the present productive capacity of industries, by avoiding undue restriction of production (except as may be temporarily required), by increasing the consumption of industrial and agricultural products through increasing purchasing power, by reducing and relieving unemployment, by improving standards of labor, and by otherwise rehabilitating industry.

(b) Said Industry normally employs not more than 50,000 employees; and is not classified by me as a major industry.

(c) The Code as approved complies in all respects with the pertinent provisions of said Title of said Act, including without limitation Subsection (a) of Section 3, Subsection (a) of Section 7, and Subsection (b) of Section 10 thereof; and that the applicant group is an industrial group truly representative of the aforesaid Industry; and that said group imposes no inequitable restrictions on admission to membership therein.

(d) The Code is not designed to and will not permit monopolies or monopolistic practices.

(e) The Code is not designed to and will not eliminate or oppress small enterprises and will not operate to discriminate against them.

(f) Those engaged in other steps of the economic process have not been deprived of the right to be heard prior to approval of said Code.

For these reasons, therefore, I have approved this Code; provided, however, that the continued participation of the Sewing Machine Trade Association and the Mutual Sewing Machine Dealers and Mechanics Cooperative, Incorporated in the Code Authority after 30 days from the effective date of this Code shall be contingent upon their amending their Constitution and By-laws to the satisfaction of the Administrator.

Respectfully,

HUGH S. JOHNSON,
Administrataor.

APRIL 21, 1934.

CODE OF FAIR COMPETITION FOR THE SEWING MACHINE INDUSTRY

ARTICLE I—PURPOSES

To effectuate the policies of Title 1 of the National Industrial Recovery Act, the following provisions are established as a Code of Fair Competition for the Sewing Machine Industry, and shall be the standard of fair competition for the industry and shall be binding upon every member thereof.

ARTICLE II—DEFINITIONS

1. The term "Sewing Machine Industry", as used herein, is defined to mean the manufacture and the repair and rebuilding of Sewing Machines and Cabinets, Stands, Tables (including Power Tables), Motors, Parts, Needles, Attachments and Accessories for Sewing Machines, and the selling, installing, dismantling, servicing and distributing thereof at wholesale or retail.

2. The term "employee", as used herein, is defined to mean any person engaged in any phase of the industry in any capacity, irrespective of the method of payment of his compensation, except a member of the industry.

3. The term "employer", as used herein, is defined to mean anyone by whom such an employee is so employed.

4. The term "member of the industry", as used herein includes, but without limitation, any individual, partnership, association, corporation, or other form of enterprise engaged in the industry, either as an employer or on his or its own behalf.

5. The term "persons", as used herein, is defined to mean natural persons, partnerships, associations and corporations.

6. The term "outside salesmen", as used herein, shall mean a salesman who is engaged not less than sixty (60) percent of his working hours outside the establishment, or any branch thereof, by which he is employed.

7. The term "outside collector", as used herein, shall mean a collector of accounts who is engaged not less than sixty (60) percent of his working hours outside the establishment, or any branch thereof, by which he is employed.

8. The term "outside buyer", as used herein, shall mean anyone who is engaged in buying and who is engaged not less than sixty (60) percent of his working hours outside the establishment, or any branch thereof, by which he is employed.

9. The term "imitation parts" and "imitation attachments", as used herein, is defined to mean parts or attachments not made or authorized by the manufacturer of the sewing machine for which they are made or designed, and which have been made or designed

for use in substitution for like parts or attachments made or authorized by the original manufacturer of the sewing machine.

10. The term "technical capacity", as used herein, is defined to mean design, experimentation, research, development and management work in which professional engineers and expert technicians are engaged.

11. The term "Division of the industry", as used herein, is defined to mean and include any part of the industry which is or may be defined and established in a schedule of this Code.

12. The population for the purposes of this Code shall be determined by referring to the 1930 Federal census.

13. The term "junior employee", as used herein, shall mean an employee under eighteen (18) years of age, other than apprentices.

14. The term "South", as used herein, shall mean Virginia, West Virginia, Maryland, North Carolina, South Carolina, Georgia, Florida, Kentucky, Tennessee, Alabama, Mississippi, Arkansas, Louisiana, Oklahoma, New Mexico, Texas, and the District of Columbia.

ARTICLE III—HOURS

1. No employee shall be permitted to work in excess of forty (40) hours in any one week, or eight (8) hours in any twenty-four (24) hour period, except as herein otherwise provided.

2. A tolerance of ten (10) percent above the daily and weekly maximum hours may be allowed for firemen and engineers.

3. Watchmen shall not be permitted to work in excess of forty-eight (48) hours per week.

4. Notwithstanding any other provision of this Article, employees in retail stores and service stations, including clerical employees for such stores, whether or not they are on the same premises, may be employed not to exceed forty-eight (48) hours per week at Christmas, inventory and any other peak times for a total not to exceed two weeks in the first six (6) months of the calendar year, and not to exceed three (3) weeks in the second six months, and any employee in a retail store, the principal trade in which is in merchandise other than the products of this industry, may be permitted to work in excess of the maximum hours specified in this Article if such excess is permitted by provisions of the General Code of Fair Competition for the retail trade or such other code for a division of the retail trade as such store may be operating under. Executives in retail operations of the Industry receiving \$35 or more per week in cities of over 500,000 population, or receiving \$30 or more per week in cities of 100,000 to 500,000 population, or receiving \$27.50 or more per week in cities of 25,000 to 100,000 population, or receiving \$25 or more per week in cities, towns, villages and other places under 25,000 population, shall not be subject to any hourly limitation. In the South, Executives paid not less than ten (10) percent below the wages just specified shall not be subject to any hourly limitation.

5. The provisions of this Article limiting hours of work shall not apply to outside salesmen, outside sales promotion employees, outside buyers, outside collectors, outside service men and travelling auditors.

6. The provisions of this Article limiting hours of work shall not apply to persons employed in an executive, managerial, technical or supervisory capacity who earn not less than \$35. per week.

7. Delivery men may be permitted to work not more than forty-four (44) hours per week averaged over a period of three weeks, but in no case shall the hours exceed fifty-four (54) in any one week.

8. The maximum hours fixed in this Article shall not apply to any employee on emergency maintenance or emergency repair work involving breakdowns or protection of life or property, but in any such special case, at least one and one-half (1½) times his normal rate shall be paid for hours worked in excess of the maximum herein provided.

9. The maximum hours fixed in this Article shall also not apply if at least one and one-half (1½) times the normal rate shall be paid for hours worked in excess of the hours specified in this Article, but such overtime shall not exceed for any employee eight (8) hours in any one week, nor forty-eight (48) hours in any twenty-six (26) week period beginning January 1st or July 1st.

10. No employee shall be permitted to work more than six (6) days in any seven (7) day period.

11. No employer shall permit any employee to work for any time which, when totaled with that already performed for another employer or employers exceeds the maximum permitted herein.

12. Employers who personally perform manual work or are engaged in mechanical operations shall not exceed the prescribed maximum number of hours.

ARTICLE IV—WAGES

1. No employee shall be paid less than the rate of forty (40) cents per hour, except as herein otherwise provided.

2. No employee engaged in clerical or office work shall be paid less than the rate of Fifteen (\$15.) dollars per week, provided that learners, for a period of not over sixty (60) days, and Office boys and girls may be paid not less than 80% of such minimum wage, but the total number of Office boys or girls and learners receiving less than the minimum wage in any calendar month, shall not exceed 5% of the total employees of such employer in this class, or two employees, whichever is higher.

3. Female employees engaged in light and repetitive operations may be paid not less than thirty-five (35) cents per hour, provided, however, that periodical reports of such light and repetitive operations are made to the Code Authority.

4. Female employees engaged in production of products of the Industry performing substantially the same work as male employees, shall receive the same rate of pay as male employees.

5. This Article establishes a minimum compensation, irrespective of whether an employee is actually compensated on a time rate, piece work or other basis.

6. An equitable adjustment shall be made within sixty (60) days after the effective date of this Code to the extent practicable in the wage rates of all factory and office employees now compensated at a rate in excess of the minimum but receiving less than thirty-five (\$35.00) dollars for a full week's work, by any employers who have not heretofore made such adjustment, or who have not maintained rates comparable with such equitable adjustments. The first report

to the Code Authority on wages shall show the adjustments made subsequent to May 1, 1933.

7. A person whose earning capacity is limited because of age, physical or mental handicap, or other infirmity, may be employed on light work at a wage below the minimum established by a code, if the employer obtains from the State authority, designated by the U.S. Department of Labor, a certificate authorizing such person's employment at such wages and for such hours as shall be stated in the certificate. Such authority shall be guided by the instructions of the U.S. Department of Labor in issuing certificates to such persons. Each employer shall file monthly with the Code Authority a list of all such persons employed by him, showing the wages paid to, and the maximum hours of work for such employee.

8. The minimum weekly rate of wages that shall be paid to any employee in a retail store or service station (including clerical employees for such stores, whether or not they are on the same premises) shall be as follows:

a. Within cities of 500,000 population or over—at the rate of not less than \$14.00 per week;

b. Within cities from 100,000 to 500,000 population—at the rate of not less than \$13.00 per week;

c. Within cities from 25,000 to 100,000 population—at the rate of not less than \$12.00 per week;

d. Within cities, towns, and villages from 2,500 to 25,000 population—at the rate of not less than \$11.00 per week;

e. Within towns and villages and other places with less than 2,500 population—at the rate of not less than \$10.00 per week;

f. Junior employees may be paid for the first six months of their employment at the rate of \$2.00 less per week than the minimum wage otherwise applicable; learners may be paid, for a period of not over sixty (60) days at the rate of \$1.00 less per week than the minimum wage otherwise applicable; it is provided, however, that the number of employees classified as junior employees and learners, combined, shall not exceed a ratio of one such employee to every five employees or fraction thereof up to twenty, and one such employee to every ten employees above twenty.

g. In the South all minimum wages specified in the foregoing sections of Article IV-8 may be at the rate of \$1.00 less per week.

h. The full-time weekly wages of all classes of employees receiving more than the minimum wages referred to above shall not be reduced from the full-time weekly wages existing upon July 15, 1933, notwithstanding any reduction in the number of working hours of such employees to conform with the provisions of this Code.

9. Commission salespeople and collectors, including salespeople and collectors who receive a base salary or guaranteed compensation, but whose principal earnings are intended to be paid on commission basis, shall be excepted from the minimum wage provisions of this Article.

10. Part-time employees shall be paid not less than at an hourly rate proportionate to the rate specified in the applicable foregoing sections of this Article IV.

ARTICLE V—GENERAL LABOR PROVISIONS

1. No person under sixteen (16) years of age shall be employed in the industry. No person under eighteen (18) years of age shall be employed in operations or occupations which are hazardous in nature or dangerous to health. The Code Authority shall submit to the Administrator within ninety (90) days after the effective date of this Code, a list of such operations or occupations. In any State an employer shall be deemed to have complied with this provision as to age if he shall have on file a certificate or permit duly signed by the Authority in such State empowered to issue employment or age certificates or permits showing that the employee is of the required age.

2. Pursuant to Section 7 (a) of the Act it is provided:

(1) "That employees shall have the right to organize and bargain collectively through representatives of their own choosing, and shall be free from the interference, restraint or coercion of employers of labor, or their agents, in the designation of such representatives, or in self-organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection;

(2) "That no employee and no one seeking employment shall be required as a condition of employment to join any company union, or to refrain from joining, organizing, or assisting a labor organization of his own choosing; and

(3) "That employers shall comply with the maximum hours of labor, minimum rates of pay, and other conditions of employment, approved or prescribed by the President."

3. Apprentices shall be regularly indentured for a sufficient period of time to be systematically advanced through the various operations in any one of the various trades or occupations. Such apprentices shall not exceed the ratio of one (1) apprentice to ten (10) competently skilled journeymen employees, and shall be paid for a period not exceeding six (6) months a starting rate not less than 80% of the minimum hourly rate of pay prescribed in this Code.

4. No employer shall reclassify employees or duties of occupations performed or engage in any other subterfuge for the purpose of defeating the purpose or provisions of the Act or of this Code.

5. No provisions in this Code shall supersede any State or Federal law, which imposes more stringent requirements on employers as to age of employees, wages, hours of work, or as to safety, health, sanitary or general working conditions, or insurance, or fire protection, than are imposed by this Code.

6. Notwithstanding any other provision of this Code, all wholesalers (as defined in the Code of Fair Competition for the Wholesaling or Distributing Trade) in this trade shall comply with all of the provisions contained in Articles III, IV, and V of the Code of Fair Competition for the Wholesaling or Distributing Trade as approved on January 12, 1934.

ARTICLE VI¹—ADMINISTRATION

1. The Code Authority is hereby established for the administration of this Code and shall consist of nine members, six of whom

¹ See paragraph 2 of order approving this Code.

are to be chosen by and from among members of the Sewing Machine Trade Association, and two of whom are to be chosen by and from among members of the Divisional Code Authority established under Schedule "A" of this Code, and one of whom may be chosen by and from among the members of the industry who are not members of the Sewing Machine Trade Association and not members of the division of the industry established under said Schedule "A". The term of office of members of the Code Authority shall be one year or until their successors are chosen, the annual date for expiration of such terms to be fixed by the Code Authority. If the non-members do not elect the member of the Code Authority above provided for within two months of the effective date of this Code or fail, within a similar time, to elect a successor on the expiration of a term, or to fill any vacancy, he shall be appointed by the remaining members of the Code Authority. The Administrator may also, if he so elects, appoint not to exceed three non-voting members of the Code Authority who shall also be members of each Divisional Code Authority.

2. Each division of the Industry may establish a Divisional Code Authority to administer this Code within such Division subject to the right of the Code Authority, on review, to disapprove any action taken by a Divisional Code Authority.

3. In order that the Code Authority shall at all times be truly representative of the industry and in other respects comply with the provisions of the Act, the Administrator may provide such hearings as he may deem proper; and thereafter if he shall find that the Code Authority is not truly representative or does not in other respects comply with the provisions of the Act, may require an appropriate modification in the method of selection of the Code Authority. The provisions of this paragraph also shall be applicable to any Divisional Code Authority.

4. Members of the Industry who are complying with the requirements of the Code, and who pay their reasonable share of the expenses of the administration thereof, including the cost of assembly and analysis of such reports and data as may be required under the Code, and the cost of the maintenance of the Code Authority and its activities, shall be entitled to participate in the Code Activities and to the benefits of the activities of the Code Authority and to make use of any National Recovery Act Code insignia which may be adopted. The method of allocation and collection of expense shall be determined by the Code Authority subject to approval by the Administrator; participation in the election of members of the Code Authority or of any Divisional Code Authority subsequent to the first election shall be open only to those who pay their reasonable share of expense as allocated.

5. With a view of providing information for the purpose of keeping the President of the United States and the Administrator informed as to the observance or non-observance of this Code, and as to whether the industry is taking appropriate steps to effectuate in all respects the declared policy of the National Industrial Recovery Act, the Code Authority shall make such reports as the Administrator may direct, periodically or as often as requested.

Each member of the Industry shall prepare, and file with such person or organization as may be prescribed by the Code Authority reports, statistics and such other data or information as the Code Authority may from time to time require for the purposes of this paragraph or for the enforcement of this Code.

6. Except as otherwise provided in the National Industrial Recovery Act, all statistics, data and information filed in accordance with the provisions of this Article shall be confidential and the statistics, data and information of one employer shall not be revealed to any other employer, except that for the purpose of administering or enforcing the provisions of this Code, the Code Authority, by its duly authorized representatives (who shall not be employees of any employer affected by this Code, but may be a firm of accountants, even though doing auditing or accounting work for any member of the industry), shall have access to any and all statistics, data and information that may be furnished in accordance with the provisions of this Code.

7. In addition to the information required to be submitted to the Code Authority, there shall be submitted such statistical information as the Administrator may deem necessary for the purposes recited in Section 3 (a) of the Act to such Federal and State Agencies as the Administrator may designate; nor shall anything in this Code relieve any person of any existing obligation to furnish reports to Government agencies.

8. If complaint is made to the Code Authority or to any Divisional Code Authority that the provisions of this Code have been violated by any employer, the Code Authority, or the appropriate Divisional Code Authority, shall, subject to such rules and regulations as the Administrator may prescribe, make such investigation of the facts as may be deemed necessary and shall take such action as may be appropriate.

9. If the Administrator shall determine that any action of a Code Authority or any agency thereof may be unfair or unjust or contrary to the public interest, the Administrator may require that such action be suspended to afford an opportunity for investigation of the merits of such action and further consideration by such Code Authority or agency pending final action which shall not be effective unless the Administrator approves or unless he shall fail to disapprove after thirty (30) days' notice to him of intention to proceed with such action in its original or modified form.

10. The Code Authority shall continue its study of trade practices of the industry and make any recommendations, from time to time, to the Administrator, which it deems desirable for modification of or addition to this Code, which, upon approval by the President after such hearing as he may prescribe, shall become a part of this Code and have full force and effect as the provisions hereof.

11. Each trade or industrial association directly or indirectly participating in the selection of activities of the Code Authority shall (1) impose no iniquitable restrictions on membership, and (2) submit to the Administrator true copies of its articles of association, by-laws, regulations, and any amendments when made thereto, together with such other information as to membership, organization

and activities as the Administrator may deem necessary to effectuate the purposes of the Act.

12. Nothing contained in this Code shall constitute the members of the Code Authority partners for any purpose. Nor shall any member of the Code Authority be liable in any manner to anyone for any act of any other member, officer, agent or employee of the Code Authority. Nor shall any member of the Code Authority, exercising reasonable diligence in the conduct of his duties hereunder, be liable to anyone for any action or omission to act under this Code, except for his own willful misfeasance or non-feasance.

ARTICLE VII—TRADE PRACTICES

The following acts as described shall constitute unfair methods of competition:

1. The removal of the manufacturer's serial or identification number from any sewing machine or the mutilation or alteration of any such serial or identification number; the purchase, for the purpose of selling or offering for sale, of any sewing machine with knowledge that the manufacturer's serial or identification number thereof has been removed, mutilated or altered; the sale of any sewing machine with knowledge that the manufacturer's serial or identification number has been removed, mutilated or altered unless the vendor of said machine has reported to the Code Authority the circumstances of the acquisition, but this provision shall not apply so as to forbid the sale of machines in stock on the effective date of this Code if the member of the Industry owning said machines on said date shall file within 60 days from the said date, with the Code Authority, an inventory of all such machines in his possession or under his control on the effective date of this Code. The term "manufacturer's serial or identification number" as used in this Code shall mean the serial or identification number which the sewing machine bears at the time of the original sale thereof by a manufacturer to a user, and refers to the number identifying the individual sewing machine, and not to any number indicating the class or type of machine.

2. The sale or offering for sale, except for export, of a household sewing machine under the trade name or trade mark of the manufacturer thereof when such household sewing machine is sold in conjunction with table, stand or motor not manufactured or supplied or authorized by the manufacture of such household sewing machine, the advertising or representing of such combined product as the product of the manufacturer of the sewing machine, the use of the trade name or any trade mark of the manufacturer of the sewing machine in any advertisement of the combined product in such a manner as would be likely to lead the purchaser to believe that such combined product was the product of or approved or sanctioned by the manufacturer of the sewing machine.

3. The sale for use in any leased industrial sewing machine, the lease of which does not contemplate transfer of title to the lessee, of any parts or attachments not supplied by the lessor of such machine or by persons authorized by him, to be placed in such sewing machine knowing that this is a violation of any provision of the lease of said sewing machine.

4. The manufacture, importation, sale, advertising for sale or the use, in repairing or rebuilding of sewing machines, of imitation parts or imitation attachments bearing identifying numbers, letters or marks which are the same as the identifying numbers, letters or marks or material portions thereof used on the genuine parts or attachments thus imitated, unless such imitation parts or imitation attachments have plainly stamped thereon the name of the manufacturer or distributor thereof (or such reasonable abbreviation thereof as is approved by the Code Authority) as prominently as the marking of said numbers, letters or other identifying marks. The sale of repaired or rebuilt sewing machines when the vendor of such sewing machines has inserted or used or caused to be inserted or used therein in the repairing or rebuilding thereof any imitation parts or imitation attachments which were marked with identifying numbers in violation of the foregoing provision. The provisions of this Sub-section 4 shall not apply so as to forbid the sale of parts which are in stock or sewing machines containing such parts, on the effective date of this Code.

5. The sale of imported sewing machines, imported imitation parts and imported imitation attachments which, whether or not otherwise marked, do not carry the name of the country of origin conspicuously, legibly and indelibly marked upon them or if such article is incapable of being so marked then with the name of the country of origin conspicuously marked upon any package in which such article is sold.

6. The use of advertising, whether printed, radio or display, or of any other nature which is inaccurate in any material particular or misrepresents merchandise (including its use, trade mark, grade, quality, quantity, size, origin, material, content or preparation) or credit terms, values, policies, or services; the use of advertising and/or selling methods which tend to deceive or mislead the customer; the transaction of business under a name which is misleading or imitative of that of a previously established member of the Industry, without authorization from such member, so as to deceive the public into believing that they were dealing with such member of the Industry or an established representative thereof, or the use of such misleading names in telephone or other directories so as to deceive the public as aforesaid.

ARTICLE VIII—GENERAL

1. After due notice and hearing, this Code may be amended upon the recommendation of the Code Authority or any interested party or group or upon the Administrator's own notice, and any modification so arrived at shall be effective when approved by the President.

2. As required by Section 10 (b) of Title 1 of the National Industrial Recovery Act, the following provision is contained in this Code: The President may from time to time cancel or modify any order, approval, license, rule or regulation issued under said Title.

3. Violation by any member of this Industry of any provision of this Code is an act of unfair competition, and the offender shall be subject to the penalties imposed by the Act.

4. No provision of this Code shall be so applied as to permit monopolies or monopolistic practices, or to eliminate, oppress, or discriminate against small enterprises.

5. This Code shall become effective on the second Monday following its approval by the President.

Approved Code No. 402.

Registry No. 1399-1-12.

SCHEDULE "A"—REBUILDERS' DIVISION

ARTICLE I—DEFINITIONS

1. The term "Rebuilders' Division", as used herein, is defined to mean that division of the sewing machine industry in which the employers are primarily engaged in the business of buying and/or selling and/or rebuilding and/or repairing and/or installing in factories and/or dismantling in factories used industrial type sewing machines, or have a separate department for the conduct of such business in used industrial type sewing machines.

2. The term "member of the Rebuilders' Division", as used herein, is defined to mean any member of the industry engaged in the above defined division of the industry, either as his principal business or as a separate department and in the latter case, only as to the activities of that department.

ARTICLE II—ADMINISTRATION

1. A Rebuilders' Divisional Code Authority is hereby established. It shall be composed of ten members, each of whom shall be a member of the Rebuilders' Division. The members shall serve without compensation and shall be elected for one year or until their successors are chosen. Five of the members shall be elected by the members of the Mutual Sewing Machine Dealers and Mechanics Cooperative, Inc., and five, not members of said association, shall be elected by members of the Rebuilders' Division who are not members of said association. The first election of the members to be elected at large shall be held under the direction of the Mutual Sewing Machine Dealers and Mechanics Cooperative, Inc., who shall send by registered mail a ballot to all voters, who shall have ten days after receipt within which to return the same, and the said Mutual Sewing Machine Dealers and Mechanics Cooperative, Inc., shall report and certify the results of this election to the Code Authority. Subsequent elections shall be held under such rules and regulations as the Divisional Code Authority may prescribe.

2. The Divisional Code Authority shall administer this Code within the Rebuilders' Division subject to the provisions of Article VI of this Code.

3. Members of the Rebuilders' Division who are entitled to participate in Code activities as defined in Article VI of this Code and who pay their reasonable share of the expenses of the Rebuilders' Divisional Code Authority shall be entitled to participate in the election of the members of the Rebuilders' Divisional Code Authority (subject to the first election) and in its activities.

ARTICLE III—TRADE PRACTICES AND RULES OF FAIR COMPETITION

1. Every member of the Rebuilders' Division shall observe the federal, state and local laws and regulations controlling the members of the Rebuilders' Division, in the operation of this Industry.

2. No member of the Rebuilders' Division shall purchase industrial type sewing machines without obtaining from the vendor an invoice bearing the serial number, if any (which refers to the number identifying the individual sewing machine rather than the class or type) of the machine purchased.

3. No member of the Rebuilders' Division shall sell used industrial type sewing machines, rebuilt or otherwise, or any mechanical or electrical equipment which is part of the equipment used in connection with said machines, with a free service guaranty for a period exceeding 90 days from the date of sale.

4. No member of the Rebuilders' Division shall sell, transfer or exchange a used industrial type sewing machine, without advertising and/or invoicing and/or billing the same as

- (a) a used industrial type sewing machine, or
- (b) a used industrial type sewing machine with attachments added, or
- (c) a rebuilt industrial type sewing machine, or

(d) a rebuilt industrial type sewing machine with attachments added, as the case may be, under the original tradename, with the statement of the classification as set forth in this section, and, if rebuilt, the name of the member of the Rebuilders' Division rebuilding the same.

5. No member of the Rebuilders' Division shall conduct his business either inside or outside of such member's business establishment for more than sixty hours per week and during any hours earlier than 8 A.M. or later than 6 P.M. on any six days of the week, provided, however, that the Rebuilders' Divisional Code Authority, with the approval of the Administrator may, upon application of any local group, waive the provisions of this sub-section insofar as the same are applicable to said local group.





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